



CITY COUNCIL

Work Session

Work Session
Penn Room

Monday, March 16, 2009
7:00 P.M.

- I. Call To Order 7:00 p.m.
- II. Managing Directors Report 7:05 p.m.
- III. Properties of Merit 7:15 p.m.
- IV. Housing Permit Process 7:45 p.m.
 - 1. Review proposed amendment to Housing Permit Ordinance
 - 2. Monthly update on implementation of the recommendations from Mr. Weiss and Kromer
 - 3. Report on process used by Zoning to process for the Housing Permit applications
 - 4. Report on City's ability to require property insurance for all residential and commercial properties
 - 5. Report on City's ability to attach to the personal assets of non-owner occupied properties
- V. Adjourn

City of Reading

City Council

Work Session

Tuesday, February 17, 2009

Councilors Attending: V. Spencer, S. Fuhs, M. Goodman-Hinnershitz, D. Sterner, S. Marmarou, M. Baez, J. Waltman

Others Attending: L. Kelleher, C. Younger, C. Jones, D. Hoag, E. Weiss, J. Kromer, Hill Consulting Group, B. Reinhart, R. Gery

Mr. Spencer called the work session to order at 7:10 p.m.

Managing Director's Report

Mr. Hottenstein highlighted the report distributed at the Work Session such as:

- Centre Park Community Meeting on February 19th at 7 p.m. at the Historical Society
- CAP (Customer Assistance Program) which can assist residential customers with electric and heating bills

Housing Study

Mr. Spencer introduced Eric Weiss and John Kromer, retained to study the City's housing issues. Mr. Hottenstein stated that this team was asked to study Codes services and suggest improvements to the various housing programs.

Mr. Kromer, from the FELS Institute, stated that he has provided assistance to many communities with neighborhood issues. He stated that he was the Director of Codes Services when Governor Rendell was Mayor of Philadelphia.

Mr. Weiss stated that he retired from Allentown, as Director of Codes Services for 35 years, where he developed a successful process to handle Allentown's rental properties.

Mr. Weiss highlighted the recommendations that he and Mr. Kromer made to the Codes Office, as follows:

- refocus and catch up on properties that are unfit for rehabilitation and

need to be demolished

- reorganization of codes personnel
- development of a 5 year inspection cycle for rental inspections
- correct the backlog in the housing permit process by deferring the requirement for property inspections and the need for a business license for those properties that applied for 2007 permits
- implement a rental registration fee in addition to the housing permit fee
- require that all units in a building be listed on the housing permit, to be hung in the common area of the building
- develop a ticketing process for common quality of life violations like litter, trash set out, high grass, etc.

Mr. Reinhart distributed a handout providing an update on the current housing permit process.

Mr. Spencer questioned the number of rental properties needing inspections. Mr. Reinhart stated that approximately 250 properties are waiting for an inspection. Mr. Kromer suggested adding temporary zoning staff to assist with the processing of the approximate 2000 properties awaiting a zoning permit. He noted that the salaries of temporary zoning personnel can be covered through the zoning permit fees.

Mr. Sterner thanked Mr. Weiss and Mr. Kromer for their recommendations and noted the need for more information on the fire escrow process. He stated that two properties in the 600 block of Locust Street were involved in a fire over five years ago, posted for demolition in 2005 and 2007 and are still standing in severely blighted condition. He noted receiving complaints from neighboring properties. He inquired how fire escrow money is used to demolish these properties

Ms. Kelleher inquired if the City can attach to the personal assets of the owners of rental properties. Mr. Weiss suggested exploring this further with legal staff.

Mr. Waltman noted the need to continue to place legal pressure on problem rental properties. He noted his agreement with the ticketing process for common quality of life violations. He inquired if the City can require property insurance on all residential properties at the settlement table. Mr. Weiss suggested exploring this further with legal staff and with the State Legislators.

Ms. Goodman-Hinnershitz requested quarterly updates on the implementation of the recommendations.

Ms. Goodman-Hinnershitz and Mr. Waltman noted the need to educate tenants and rental property owners on the new process. Mr. Weiss described the need for Codes to develop a property master file that contains all information about the property.

Waste Water Treatment Plant Project

Tony Vasay, of the Hill Consulting Group, explained the work completed to date to review the design of the Waste Water Treatment Plant. He stated that the Consulting team has completed the following:

- Review of project management
- Exploration of grant funding
- Analysis of project financing

Mr. Vasay stated that the group will next lock down the design of the plant so final cost estimates can be developed. He noted that the H2O Grant application has been submitted to the State. He added that they may consider applying for a PennVest loan. He stated that PennVest has a cap of \$20,000 per project per municipality. Ms. Kelleher stated that PennVest regulations allow municipalities that provide regional service to obtain additional funding. She added that State representatives committed to funding beyond the cap.

Mr. Vasay stated that the group has also studied revenue data over the past years to determine the rate impacts for the users and verify the historical payments made since the implementation of the inter-municipal agreements in 1986. He stated that a proforma model will be developed after the review and the establishment of best practices. He added that the group is also working to sync the grants and loans to reduce the impacts to the users.

Mr. Fuhs expressed concern for the impact the tunnel project will have on the 18th Ward area. He inquired how the team (Consultants and City staff) will educate the users, especially those residing in the 18th Ward. Mr. Vasay explained that the pipes will be installed 104-125 feet underground; therefore, the tunnel will not affect residential properties. He also explained that educational outreach is not planned.

Mr. Fuhs inquired how City Council can be expected to reach a decision on Monday without additional information on the impact the tunnel will have on residential properties in the 18th Ward. Mr. Spencer stated that the Public Works Department needs Council's direction to allow the project to move forward. Mr. Waltman agreed with Mr. Fuhs, noting that Council needs to know the total cost to the user, as the

project must be balanced between cost and quality.

Mr. Caltagirone, of Hazel Street, described the many multiyear problems residents of the 300 and 400 blocks of Hazel Street have had with street cave-ins over the past 20-30 years. He noted the repeated attempts by the City to correct these issues.

Mr. Spencer and Fuhs noted the need for additional testing to determine if this approach will have an affect.

There was a discussion on the cost of the project. There was also discussion on the use of the tunnel approach versus the 6th and Canal Pumping Station. Mr. Jones stated that the tunnel and 6th and Canal Pumping Station are not included in the Consent Decree project. However, decisions on this issue are needed on Monday as they will have an affect on the design of the plant. He noted that 80% of the City's sewage comes through the 6th and Canal Pumping Station.

Storm Water Utility

Mr. Jones explained that Reading is the first Pennsylvania city studying the Storm Water Utility issue. He noted that a few Pennsylvania municipalities have started this program. He explained that this model is based on the amount of impervious cover a property has and the run-off of rainwater. He stated that the fees associated with this program can be used to support the storm water program such as street sweeping, catch basin repair and cleaning, etc. He noted the monumental cost to repair the collapsed storm water system. The last collapse in 2006 cost \$302,000.

Mr. Jones stated that this award of contract will allow the next analysis phase that will determine the cost per property.

Ms. Goodman-Hinnershitz inquired if the utility fee would be charged to non-profits. Mr. Jones stated that as this is a fee not a tax and non-profits will be charged under the program. They will be charged the same as other properties. He also explained that a property owner can undertake green projects to obtain credits under this program. As an example, he noted the green roof on the Millmont Magnet School and the green building planned by the Berks County Community Foundation.

Mr. Waltman expressed the belief that the City has too many broken systems to add a new program.

Mr. Spencer stated that he has participated in the review of the RFP process for this award of contract. He stated that he is satisfied with the process used. Mr. Jones stated that the consultant fee will be paid by the Sewer Enterprise Fund and then reimbursed by the Storm Water Utility after the program begins generating revenue.

Mr. Waltman again noted that currently the city has too many broken, moving systems. He inquired how IT will deal with this billing when they cannot cure the problems with RAWA billing. Mr. Hottenstein stated that IT handles other billing areas like property taxes, without problems.

Mr. Marmarou requested a sample of the average charge per property. Mr. Jones stated that the charge per property depends on the model selected. He again noted the ability of the property owner to complete green projects to earn credits that will reduce the charge.

Mr. Waltman again inquired how the City can begin an additional program when the City has so much difficulty managing many of the existing programs, such as the housing permit process. He suggested concentrating on fixing the current breakdowns before adding new programs.

Mr. Jones noted the difficulty the Public Works Department has covering the costs of their many programs. He stated that this fee would cover the cost of the Storm Water Program. He again noted that this award of contract will only allow analysis of the program. The Administration and Council can then decide if the program is a good fit after reviewing the information provided through the analysis.

Ms. Hoag explained the DEP has divided municipalities into two storm water phases. Allentown and Philadelphia are the only Phase I cities. Reading has fallen in the Phase II area. She noted that the PaDEP, will at some time in the near future, will begin requiring the testing of storm water. She noted the PaDEP's growing concern with the quality of storm water as it affects the ecology of rivers and streams. She stated that the DEP is already requiring storm water discharge permits that last for six year periods of time.

Mr. Waltman again questioned the City's ability to successfully implement this program at a time when they cannot complete one years worth of the housing permit process within a two year period.

Mr. Hottenstein distributed copies of the 2009 budget approved by Council and a copy of the amendments the administration is requesting. He also gave Ms. Kelleher a copy of the Maximus report, noting that the zoning area is not yet included. He suggested that as this report is so voluminous that Council review the copy left with Ms. Kelleher. He also requested that he and Ms. Kelleher work together to identify the fees that will be adjusted.

As no further business was brought forward the Work Session was adjourned at approximately 9:45 p.m.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk

FOLLOW-UP ISSUES

- Monthly update on implementation of the recommendations from Mr. Weiss and Kromer
- Report - Fire Escrow program
- Report on process used by Zoning for the Housing Permit process
- Report on City's ability to require property insurance for all residential and commercial properties
- Report on City's ability to attach to the personal assets of non-owner occupied properties
- Legislation to amend the 2009 budget
- Legislation to increase/decrease fines and fees as recommended by Maximus
- Report on further testing for the tunneling project

History of Properties of Merit™

The initial Properties of Merit™ program was created in 1989 in Oneonta, NY (13,000 pop.) by Siobhan "Sam" Bennett who partnered with the local newspaper and a group of community leaders she assembled.

Living all over the world with her family before settling in Oneonta, Sam fell in love with the slate sidewalks, beautiful Victorian homes and tree lined streets of this Upstate New York college town. What concerned her, however, was the trend of homes being converted to rentals with little attention to the external maintenance of those properties and the negative effect this had on the surrounding neighborhoods and overall community.

After college, Sam began purchasing some Victorian conversions and upgrading their exteriors with a view to enhancing the neighborhoods they resided in. Convinced of the relationship between a property's street appearance to the quality of life in its surrounding community, she created Properties of Merit™ to recognize and encourage quality property maintenance. The concept was a simple one – if you thank property owners who took exceptional care of their properties they would continue that behavior and inspire others to do the same.

"Well tended neighborhoods are safer neighborhoods".

In 1987 Sam relocated to Allentown, PA, a much larger community (106,000 pop.), but one that shared the sidewalks, historic architecture and tree lined street charm of Oneonta. It became clear to Sam, that though Allentown's challenges were different than Oneonta's, Properties of Merit™ could be helpful in assisting Allentown with the crime issues with which it was struggling. After a year spent meeting with community leaders Properties of Merit™ was launched with a dedicated cluster of Crime Watch and Neighborhood Presidents who based their program around the premise that "well tended neighborhoods are safer neighborhoods".

Program Success and Growth

The success of the program brought it to the attention of the Governor's office and in 2006 Governor Ed Rendell recognized the contributions of the program and provided seed money through 2009 for the program to be taken state wide. Properties of Merit™ is actively working to significantly expand its sponsorship and financial support base to accomplish this mission.

Affiliations

Properties of Merit is a member of [PANO](#) (Pennsylvania Association of Non-Profit Organizations) and is registered with the Pennsylvania Board of Charitable Organizations.



"I had a good experience as a judge, it was fun and I enjoyed meeting the different business owners. As an associate at Just Born, I was pleased to see how my co-workers were excited about participating in the voting. Just Born was equally excited about receiving the Best Overall award for businesses in this area of the city."
– 2007, Cindy Glick, Corporate Affairs Director, Just Born, 2006 Bethlehem Business Finalist

Properties of Merit™ Principles of Success

Properties of Merit™ (POM™) is a non-profit 501 c 3 organization that keeps morale and momentum moving forward in communities seeking to revitalize and better themselves through annual and ongoing programs. To ensure that all POM™ programs are ongoing and continue over time, POM™ provides one-on-one support, training, and materials to participating communities

POM was recently designated an official partner of the [Pennsylvania Downtown Center](#), a non-profit organization dedicated to the revitalization of Pennsylvania's core communities.

- By providing well organized “template” programs, the supplies to run those programs and the grass roots support to the volunteers that run them, POM™ makes it possible for annual programs to launch and continue over time in almost any community that desires to revitalize or improve.
- To ensure the maximum results in each community and eliminate all barriers to participation, these programs are run by volunteers and can be started quickly and run economically.
- Because its programs are comprehensive in the communities it serves – all income levels are served – from low to moderate income to highly affluent. Healthy communities have healthy mixes of all incomes, and POM™ seeks to serve all.

POM™ programs contain community and economic revitalization elements that have been proven to work over time:

- Citizen involvement – POM™ seeks to connect with citizens and build partnerships at every stage and at every level, working to keep all programs citizen driven.
- Simplicity – POM™ programs are disciplined and kept simple.
- Efficiency, Creativity and Continuity – POM™ programs keep costs low through volunteerism at the community level, small but numerous contributions at a local level and creatively solving entrenched and difficult community problems through citizen empowerment and involvement.

- POM™ structures and supports these programs so that they are annual and ongoing so that they build a critical mass over time in the communities they serve.



"The Construction Company not only gave us an opportunity to take an active role in the revitalization of our school, but also taught us business lessons invaluable out in the real world."

– George H. Schadler III, Former Student Body President, William Allen High School 2003, POM Administrative and Website Director 2007

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Properties of Merit™ Programs

The basis of Properties of Merit™ programs is that better maintained properties, public spaces, neighborhoods and communities deliver a higher quality of life to communities and their residents. Giving citizens the opportunity to easily become stakeholders without requiring undue investment of time or money, also grows the human infrastructure needed to accomplish the slow and often frustrating work of transforming and enhancing communities.

[Click here](#) to see the principles that make Properties of Merit™ programs a success.

Currently, POM™ has three programs that communities can access to help solve some of their more persistent problems:

- [POM™ Awards Programs](#) – reward and recognize property owners that maintain their properties in an outstanding fashion, encouraging them to continue high levels of property maintenance and inspiring other property owners to do the same.
- [POM™ Service Corps](#) – partner with community organizations, community residents and municipal departments to coordinate volunteer manpower for ongoing litter and debris cleanups, and tree and perennial plantings on Saturdays and/or Sundays throughout the year. Focus on chronic distressed areas for no less than three years to assist in the transformation of challenged areas over time.
- [POM™ Construction Companies](#) – partner with local businesses to provide materials, expertise and other resources to student-led companies within schools, assisting students and faculty in renovating their schools and grounds.

Participating POM™ Communities

Pennsylvania Governor Ed Rendell had been a frequent key note speaker and special guest of the Allentown Properties of Merit Awards Program since its inception in that community in 1999. In 2006 he and founder Siobhan “Sam” Bennett agreed that this program could assist communities throughout the Commonwealth of PA. To facilitate this expansion, the Governor committed to providing seed money through 2009 to help ensure an effective rollout of the program on a statewide basis. Properties of Merit™ is actively working to significantly expand its sponsorship and financial support base in order to successfully accomplish this statewide expansion mission. Interested in [financially assisting](#) POM's expansion?

Interested in finding out more about current Properties of Merit™ programs, please [click the star](#) on the map below.

To view Properties of Merit™ regional programs that are currently under development, please [click a circle](#) on the map below.



BILL NO. _____-2009

A N O R D I N A N C E

**AMENDING CHAPTER 11 HOUSING OF
THE CITY OF READING CODIFIED ORDINANCES**

THE CITY OF READING HEREBY ORDAINS AS FOLLOWS:

SECTION 1: Chapter 11 entitled Housing is amended as follows:

SECTION 11-102 DEFINITIONS is hereby amended to added or amend the following terms and definition:

LEASE - See Rent

LET - See Rent

PERMIT - registration of a property as a rental unit

RENT - compensation for providing a shelter or lodging for occupation or habitation by humans to reside, monetary or non-monetary

RENTAL UNIT - a rooming unit or dwelling unit let for rent, a non-owner occupied rooming or dwelling unit, or a dwelling unit occupied by an owner and additional unrelated individuals. A rental unit shall not include a hotel unit. A rental unit includes dwelling units under lease-purchase agreements or long-term (greater than six (6) months) agreements of sale.

SECTION 11-104 APPLICATION FOR PERMIT is hereby amended as follows:

§11-104 APPLICATION FOR REGISTRATION OF A ~~PERMIT~~ RENTAL

Application for and registration of a rental ~~permit~~ property for a dwelling unit or a rooming unit shall be made in writing on forms prepared and provided by the City of Reading ~~Codes Enforcement Division~~ Property Maintenance Division and shall be accompanied by payment of the applicable ~~permit~~ registration fee. Such forms shall require, but not shall not be limited to, the following information and shall be signed and sworn to by the owner of such dwelling unit or rooming unit:

11-104(8) requiring production of a copy of a Business Privilege License under which the owner rents the dwelling unit or rooming unit and reporting gross receipts therefrom is hereby deleted from the requirements for an application for a ~~Housing Permit~~ Rental Registration. Said removal shall not preclude the City of Reading Department of Finance Tax Division from investigating, requiring and prosecuting an owner, where necessary, to obtain a Business Privilege License pursuant to the City of Reading Codified Ordinances upon receipt of information from the Property Maintenance Division of the City of Reading of a rental of a property.

~~11-104(9) and (10) requiring proof of valid contract with a state licensed trash hauler or participation on the City of Reading trash collection program and recycling program are hereby deleted from the requirements of an application for a Housing Permit~~ Rental Registration. ~~Said removal shall not preclude the City of Reading Department of Public Works Solid Waste Division from investigating, requiring and prosecuting where necessary a property owner for failure to have a valid trash hauler and participation in the City of Reading recycling program pursuant to the City of Reading Codified Ordinances upon receipt of information from the Property Maintenance Division of the City of Reading of a rental of a property.~~

11-104(13) requiring production of a proof of insurance from an insurer licensed by the Commonwealth of Pennsylvania for the property is hereby deleted from the requirements for an application for a ~~Housing Permit~~ Rental Registration. Said removal shall not preclude the City of Reading Department of Community Development Building and Trades Division or Department of Fire and Rescue Fire Prevention Division from requesting insurance information for the property upon necessity therefor.

SECTION 11-105 RENEWAL OF RENTAL PERMIT is hereby amended as follows:

§11-105 RENEWAL OF RENTAL PERMIT RENTAL REGISTRATION

It shall be the responsibility of the owner of the dwelling unit or rooming unit to request and submit an application for renewal of a Rental Permit Registration. Rental Registrations for 2008 and 2009 will be jointly issued and processed by the City of Reading Property Maintenance Division. The owner of every dwelling unit or rooming unit must renew his/her/their Rental Permit

Registration for each such dwelling unit or rooming unit for 2008 and 2009 by September 1, 2009. An application for renewal of a rental ~~permit~~ registration for 2008 and 2009 with the requisite fees may be submitted between July 1, 2009 and August 31, 2009. All renewal applications for 2008 and 2009 received after the first of September, 2009 shall be subject to revocation of the rental permit and/or doubling of the fee set forth herein. In addition, failure to pay/renew a rental ~~permit~~ registration by December 1, 2009 will result in submission of the bill and account for a rental ~~permit~~ registration to collections for recovery. The owner of every dwelling unit or rooming unit must renew his/her/their/its Rental
Registration for each such dwelling unit or rooming unit for 2010 by April 1, 2010. An application for renewal of a rental registration for 2010 with the requisite fees may be submitted between February 1, 2010 and March 31, 2010. All renewal applications for 2010 received after the first of April, 2010 shall be subject to revocation of the rental ~~permit~~ registration and/or doubling of the fee set forth herein. In addition, failure to pay/renew a rental ~~permit~~ registration by April 1, 2010 will result in submission of the bill and account for a rental ~~permit~~ registration to collections for recovery. Commencing for renewal of a Rental
Registration for 2011 and each year thereafter, the owner of every dwelling unit or rooming unit must renew his/her/their/its Rental-~~Permit~~ Registration for each such dwelling unit or rooming unit for said year by the first business day after the first of January of said year. An application for renewal of a rental ~~permit~~ registration for 2011 and each subsequent year with the requisite fees may be submitted between November 1 and December 31 of the applicable year. All renewal applications for 2011 and subsequent years received after the first business day in January of the applicable year shall be subject to revocation of the rental ~~permit~~ registration and/or doubling of the fee set forth herein. In addition, failure to pay/renew a rental ~~permit~~ registration by March 1 of the applicable year will result in submission of the bill and account for a rental
~~permit~~ registration to collections for recovery. To renew a rental ~~permit~~ registration the owner must complete the ~~an~~ application for renewal on the form prepared and provided by the Codes Enforcement Division
Property Maintenance Division and pay the applicable fee. Except as set forth in this Part, on a not less than 3 no more than 5 year basis, renewal of a rental ~~permit-registration~~ is not subject to an inspection. An application for renewal of a rental ~~permit-registration~~ may be denied resulting in nonrenewal of the ~~permit-registration~~ as set forth herein. Failure of the owner to renew a permit will be considered a surrendering and revocation of the rental ~~permit-registration~~ and will require vacation of all occupants/tenants of the dwelling unit or rooming. To obtain a rental ~~permit-registration~~ after its surrender and revocation, the owner will have to submit a new initial application and undergo the requirements thereof. Any waiver of such requirements is at the discretion of the Codes-

~~Enforcement Division~~ Property Maintenance Division Administrator or his/her designee.

SECTION 11-109 INSPECTION is hereby amended as follows:

A. INITIAL APPLICATION

Except as provided herein, all properties for which a Rental Registration is submitted from 2007 through 2014 shall not be required to undergo an inspection to be registered as a rental property. Properties which have historically, within the last five (5) years, been owner-occupied and not registered rental properties shall be required to undergo an inspection as part of the initial application to register as a rental property. This provision shall not include registered rental properties from continuing to undergo an inspection pursuant to the City of Reading Rental Inspection Program including but not limited to renewal inspections, routine inspections and complaint inspections nor a Health and Safety Inspection pursuant to the City of Reading Codified Ordinances upon transfer of a property.

If an initial application inspection is required pursuant to the provisions of this Part and the City of Reading Rental Property Inspection Program, then all other portions of §11-109(A) shall remain in full force and effect.

B. RENEWAL INSPECTIONS

An inspection of a dwelling unit or rooming unit shall be performed on a rotating basis commencing in 2009 not less than three (3) years nor more than five (5) years, per the City of Reading Rental Property Inspection Program.

If a renewal inspection is required pursuant to the provisions of this Part and the City of Reading Rental Property Inspection Program, then all other portions of §11-109(B) shall remain in full force and effect.

SECTION 11-119 OFFICIAL NOTICES is hereby amended as follows:

All official notices, excluding notice of inspection, including but not limited to Notices of Violations relating to a dwelling unit or rooming unit shall be served on the owner with a copy to local responsible agent. All official notices, excluding notice of inspection which shall be in the manner set forth herein, shall be by first class mail to address of record of the owner and local responsible agent and posting of the dwelling unit or rooming unit.

SECTION 11-123 VIOLATIONS AND PENALTIES is hereby amended as follows:

E. PLACARDING AND CONDEMNING

The City of Reading Property Maintenance Division is hereby authorized to placard and condemn thereby requiring the immediate vacation, or within the discretion of the Property Maintenance Inspector a reasonable amount of time vacation, of a property that is being rented for which a registration therefor has not been filed with the Property Maintenance Division as required by this Ordinance.

PART E. NONEXCLUSIVE REMEDIES IS RENUMBER TO PART F.

SECTION 2: All references to Housing Permit, Housing Rental Permit or Rental Permit shall be amended and changed to Rental Registration or Rental Housing Registration.

SECTION 3: All references to Codes Enforcement Division shall be amended and altered to be Property Maintenance Division.

SECTION 4: All references to Manager of Code or Codes Enforcement Division shall be amended and altered to read Administrator of the Property Maintenance Division.

SECTION 5: All relevant ordinances, regulations, remaining sections of Chapter 11 Housing – Rental Ordinance and policies of the City of Reading, Pennsylvania not amended hereby shall remain in full force and effect.

SECTION 6: If any section, subsection, sentence or clause of this ordinance is held, for any reason, to be invalid, such decision shall not affect the validity of the remaining portions of the Ordinance.

SECTION 7: This Ordinance shall become effective in ten (10) days, in accordance with Charter Section 219.

Enacted _____, 2009

Council President

Attest:

City Clerk

(LAW)

Submitted to Mayor: _____

Date: _____

Received by the Mayor's Office: _____

Date: _____

Approved by Mayor: _____

Date: _____

Vetoed by Mayor: _____

Date: _____

Proposed Changes to the Rental Inspections Program by Eric Weiss

Date: February 3, 2009, based on our January 22, 2009 meeting
Presented to City Council February 17, 2009

1. Enter property information into Hanson regarding placarded (tagged unfit) properties during January 2009. This will require follow-up inspections to be carried out over the following month for approximately 75 properties to verify use and occupancy along with enforcement actions as needed. All tagged unfit properties found to be occupied will be prioritized for enforcement until complied or vacated.
2. Create Divisions of responsibilities of staff by program or specialty, similar to divisions among the lines of business of a corporation. This specialization will improve effectiveness while allowing for adjustments to staffing in each division as needed during the year in order to address fluctuations in the workload. By February 1, 2009, deploy inspections staff as follows:
 - a. 6 rental health & safety inspectors
 - b. 4 complaints inspectors
 - c. 2 illegal use inspectors
 - d. 2 “floating” inspectors to respond to temporary workload increases
 - e. 1 inspector handling health inspections
3. By April 1, 2009, to resolve the Housing Permits backlog problem, issue Housing Permits to approximately 1,500 owners who have applied and have had zoning verified. Defer the requirements for BPL and housing inspections on these properties to resolve the backlog and to clear the path for the commencement of the 5 year systematic inspections cycle. These Permits should indicate the conditions of issuance, that is: must be inspected, must comply with BPL requirements, etc.
4. Begin the 5-year, systematic rental inspections cycle by separating the Magisterial Districts into 5 one-year (2009 through 2013) geographic rental inspections areas. The number of rental dwelling units for inspection should be approximately equated each year and care should be taken not to overload challenging Districts into one year. This establishes goals and timetables with achievement expectations for administration, elected officials, staff, property owners and the general public and will transform the current reactive efforts into a proactive, mission-driven systematic process.
5. By June 30, 2009, to resolve the Rental Unit Invoices backlog, make the necessary ordinance amendments to establish a Registration provision for qualified rental units in chapter 11- Housing Rental. Registered Rental Units will be units documented by the City and based on the owner’s application and

payment of a yearly fee. A unit will remain Registered, providing the yearly fee is paid, until a Rental Permit is issued when the unit is brought into compliance with all requirements in Chapter 11 following inspection during the five (5) year inspections cycle. The Registration does not warrant the zoning, safety, condition or habitability of these units. It merely documents the owner's application for inclusion of the units(s) in Reading's Rental Unit Permitting process.

In resolving the invoice backlog, the 2008 and 2009 Rental Unit Invoices for units that are in compliance should be sent as Rental Permit Fee invoices. Rental units for which compliance is pending or units that have not been brought into compliance with the Rental Housing Ordinance requirements, should have 2008 and 2009 invoices sent as Rental Registration Fee invoices.

2007 Rental Fee Invoices, already in progress, can remain as Rental Permit Fee Invoices.

This will bring the rental billing cycle current without mandating all units be in compliance with all requirements while allowing Registered Units to remain Registered until they are included in the five (5) year inspection s cycle and achieve their Rental Permit.

6. List all permitted rental units on a Master Rental Permit posted in a common area (lobby) of every rental property. The permit will list all legal units identifying them by number or letter or location (example: 2nd floor rear). This will document the permitted allowable rental units in every rental building at an accessible location open to public view.

Additional Programmatic Changes:

1. By April 1, 2009 institute Sweep Ticketing Program. Sweep Ordinance is being revised to include all anticipated violations to be addressed by the ticketing process. The process initially will be by standard ticket book issuance similar to the Allentown Program. Potential benefits to using hand-held computers for ticketing will be looked into. Consortium of Code Officials in Reading, Allentown, Bethlehem and Easton has been formed and will best practice solutions, including the Sweep Ticketing Program, to common code problems among the cities.
2. By January 2009 decide on, measure staff size requirements, purchase and issue uniforms to inspectors. The inspectors "uniforms" will be khaki pants and a button down shirt rather than either a more law enforcement officer or a more maintenance worker style uniform. Projected first day for uniforms to be worn is the middle of February.

3. Zoning files are the City's official record of a property's legal allowable use. Having clear, complete, official municipal records of every property's allowable use is essential to a City's success by several measures. It is recommended that a sufficient number of staff be assigned to investigate and resolve issues of allowable uses for properties in rental inspections yearly geographic workload prior to inspections. Consider fee increases for rental housing permits and/or zoning applications to cover additional staff to verify allowable use and to gain compliance of zoning violations. Maximus Company is evaluating Reading's fee structure. We can review the Maximus draft when it is ready.

Additional note:

Look into the optimal use of State Act 97 by putting a procedure in place to have fire inspectors gather fire insurance coverage information at every fire response and transfer this information to a program coordinator who will assure that insurance providers adhere to the provisions of Act 97 by escrowing with the City Treasurer the required portion of the insurance proceeds. Compliance signed off by the Building Inspections staff when the CO is issued following building restoration should be required prior to release of these funds to the owner/insured. If the owner/insured balks or fails to restore the building, the City should proceed to use the escrowed funds for the repairs. If no insurance is in place at the time of the fire, public nuisance abatement procedures using public funds should be employed to repair the building damage to at least a condition that will not allow further deterioration nor negatively impact surrounding properties. Code enforcement action, blighted property review procedures or municipal lien execution should follow until the fire damaged building is restored.